

**HUD CONSUMER BULLETIN**

# **RENT SUPPLEMENT HELP FOR TENANTS**



U. S. DEPT. OF HOUS.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Washington, D.C. 20410

## WHY RENT SUPPLEMENTS ARE PAID

To provide a way for people of low income to live in decent housing, the Government pays part of the rent for some tenants in certain housing projects. These payments are made by the Federal Housing Administration under the rent supplement program of the Department of Housing and Urban Development. The rent supplement is the payment that FHA makes to a landlord to help out a person or a family that cannot afford to pay the full rent for decent housing.

## WHAT HOUSING RENT SUPPLEMENTS APPLY TO

All housing provided through the rent supplement program will be built by private builders, owned by private owners, and managed by private managers. It will not be public housing.

The housing projects will be financed with FHA-insured mortgages. A project can be made up of apartment buildings, row houses, or separate houses. The housing in the project will be plain, decent housing that is either new or rebuilt to make it livable.

## WHO CAN HAVE RENT-SUPPLEMENT HELP

First of all, tenants (either a single person or a family) can get rent supplement help only if they have no more income than would be allowed for them to get into a public housing project in the same city.

Also, any money or other property they have, aside from income, cannot be more than \$2,000 (or \$5,000 if either the husband or wife is 62 or older).

Then, even with a low enough income, rent supplement tenants must qualify in one or more of the following ways:

- (1) Be a single person or a family that has had to move because of urban renewal, highway construction, or some other kind of government action.
- (2) Be a single person 62 or older, or a family in which the wife or husband is 62 or older.
- (3) Be a single person with a physical handicap of some kind, or a family in which the husband or wife has a handicap.
- (4) Be a single person or a family living in substandard housing--housing that

is badly run down, has no indoor plumbing, or for some other reason is not fit to live in.

- (5) Be a single person or a family whose home has been destroyed or badly damaged by a hurricane or some other natural disaster.

A person or family that needs rent supplement help can go to the owner or manager of a rent supplement housing project and fill out an application. The owner or manager will help him do this.

The application will show how many people will live in the apartment, how much income they have altogether, how much other money or property they have (not counting clothes and furniture), and other information. The owner or manager will select tenants from among those who apply, and the FHA will decide which tenants are entitled to rent supplements.

#### HOW RENT SUPPLEMENTS ARE PAID

A tenant pays the landlord one-fourth of his monthly income for rent in the project, and, if the rent for the apartment is more than one-fourth of the tenant's income, the FHA pays the difference to the landlord.

For instance, if the tenant's income is \$200 a month he pays the landlord a fourth of that amount, or \$50 a month, for rent; and if the rent for his apartment is \$90 a month, the FHA pays the landlord \$40 to make up the difference between the \$90 rent and the \$50 that the tenant pays.

If the tenant's income drops, he can notify the landlord and the landlord can ask the FHA to pay a larger rent supplement. For instance, if the tenant's income falls from \$200 a month to \$180 a month and he still lives in the \$90 apartment, he may wish to reduce his monthly rent payment to one-fourth of \$180, or \$45, and the FHA may agree to raise the rent supplement payment from \$40 to \$45.

If the tenant's income rises while he is living in the project, he pays more of the rent and the FHA pays less. If the tenant's income rises to a point where it is four times the amount of the full rent for the apartment, the rent supplement stops, but the tenant can go on living in the apartment by paying the full rent himself, if he does not wish to move.

A rent supplement tenant signs a lease for his apartment, just as any other tenant would. The lease calls for the landlord to

check up on the tenant's income once a year, and the tenant agrees in the lease to tell the landlord at once if his income goes up to four times the amount of the rent for his apartment. This is done so that the rent supplement payment made by the FHA will not be larger than the law allows. If the tenant is 62 or older, the once-a-year check-up on his income does not have to be made.

### **WHERE TO FIND RENT SUPPLEMENT HOUSING**

Rent supplement housing will be located in cities and towns where there is not enough good housing that poor people can afford, and where churches, unions, or other private groups or persons want to do something to provide it, and where rent supplement funds have been made available. The money that Congress allows for rent supplements is limited and has to be spent where it can do the most good.

The FHA office that serves the area will know whether or not there is any rent supplement housing in a particular city or town. See the list of FHA offices given here.

### **EQUAL OPPORTUNITY IN HOUSING**

FHA, under Executive Order 11063 of November 20, 1962, has ruled that housing provided with FHA help must be open to all people without discrimination because of race, color, creed, or nationality.

This ruling applies to any person, firm or group that receives an FHA insured loan or does business with FHA. It covers the making of loans, and the selling, renting or in other ways disposing of property. Violators may be cut off from further FHA aid.

One- or two-family houses that have been occupied by their owners are exempt from the ruling. But if the buyer of such a home wants to finance it with an FHA insured mortgage, the lender is bound by the ruling.

### **THE FHA IN BRIEF**

Since its establishment in 1934, the Federal Housing Administration has written mortgage and loan insurance in a total amount of over \$100 billion. This amount covers mortgage insurance on several million homes, on more than a million living units in multifamily projects, and on many millions of property improvement loans. Altogether, FHA has helped between 35

million and 40 million families to improve their housing standards and conditions.

Congress provided the FHA mortgage and loan insurance system to help improve housing standards, to promote the use of sound financing methods, and to help keep the mortgage market steady. FHA supports itself through income derived from fees, insurance premiums, and investments. Its insurance reserves are well over a billion dollars.

All loans insured under FHA programs are made by private FHA-approved lenders. FHA does not lend money or build houses.

The first FHA programs dealt with insured home improvement loans, home mortgage loans, and rental housing mortgage loans. Through its 76 field offices FHA now also insures mortgages to develop land and to provide homes for servicemen and their families, housing for people of low and moderate income, housing in urban renewal areas, housing for the elderly or handicapped, nursing homes, cooperative housing, condominiums, experimental housing, housing at or near military centers; and long-term loans for major home improvements.

FHA has had a marked influence on the location, volume, and kind of housing built in the United States. It has helped to make the low-downpayment, long-term, fully amortized mortgage the standard in mortgage lending.

#### HUD INSURING OFFICES

ALABAMA, BIRMINGHAM 35203

2121 8th Avenue North

Tel. 325-3264

ALASKA, ANCHORAGE 99501

Room 228, Federal Bldg., P.O. Box 480

Tel. 272-5451

ARIZONA, PHOENIX 85002

244 West Osborne Road, P.O. Box 13468

Tel. 261-4434

ARKANSAS, LITTLE ROCK 72203

3433 Federal Office Bldg., 700 W. Capitol Ave.

Tel. 372-5404

CALIFORNIA, LOS ANGELES 90013

5th & Broadway Bldg., 312 W. 5th Street

Tel. 688-5127

SACRAMENTO 95809

1800 -I Street

Tel. 449-3471

SAN DIEGO 92112

P.O. Box 2648

Tel. 293-5310

SAN FRANCISCO 94111

100 California Street

Tel. 556-2238

SANTA ANA 92701

Freeway Center Bldg., 1440 East First St.

Tel. 543-0401  
 COLORADO, DENVER 80202  
 Railway Exchange Bldg., 909 17th St.  
 Tel. 297-4521  
 CONNECTICUT, HARTFORD 06103  
 Federal Office Bldg., 450 Main Street  
 Tel. 244-3638  
 DELAWARE, WILMINGTON 19801  
 536 Wilmington Trust Bldg.  
 Tel. 654-6361  
 DISTRICT OF COLUMBIA, WASHINGTON 20412  
 Railway Labor Bldg., 400 First St., N. W.  
 Tel. 783-4591  
 FLORIDA, CORAL GABLES 33134  
 3001 Ponce de Leon Blvd.  
 Tel. 445-2561  
 JACKSONVILLE 32201  
 21 West Church Street  
 Tel. 354-7221  
 TAMPA 33609  
 4224-28 Henderson Blvd., P. O. Box 18165  
 Tel. 228-7711  
 GEORGIA, ATLANTA 30303  
 230 Peachtree Street, N. W.  
 Tel. 526-6595  
 HAWAII, HONOLULU 96801  
 P. O. Box 3377  
 Tel. 588-713  
 IDAHO, BOISE 83701  
 331 Idaho Street  
 Tel. 342-2232  
 ILLINOIS, CHICAGO 60604  
 219 S. Dearborn Street  
 Tel. 828-7660  
 SPRINGFIELD 62705  
 628 East Adams St., P. O. Box 1628  
 Tel. 525-4414  
 INDIANA, INDIANAPOLIS 46209  
 Arch. & Builders Bldg., 333 N. Pennsylvania St.  
 Tel. 633-7188  
 IOWA, DES MOINES 50309  
 615 Park Street  
 Tel. 284-4481  
 KANSAS, TOPEKA 66603  
 700 Kansas Avenue  
 Tel. 234-8241  
 KENTUCKY, LOUISVILLE 40202  
 Madrid Bldg., Third & Guthrie Sts.  
 Tel. 582-5252  
 LOUISIANA, NEW ORLEANS 70113  
 Federal Bldg., 701 Loyola Avenue  
 Tel. 527-2063  
 SHREVEPORT 71101  
 425 Milam Street  
 Tel. 425-6601  
 MAINE, BANGOR 04401  
 Exchange Bldg., 27 State Street  
 Tel. 942-8242  
 MARYLAND, BALTIMORE 21231  
 404 North Bond Street  
 Tel. 685-8320  
 MASSACHUSETTS, BOSTON 02203  
 John Fitzgerald Kennedy Federal Bldg.  
 Tel. 223-7310  
 MICHIGAN, DETROIT 48226  
 1249 Wash., Blvd., Book Bldg.  
 Tel. 226-6216

GRAND RAPIDS 49503  
 921 Division Avenue North  
 Tel. 456-2225  
 MINNESOTA, MINNEAPOLIS 55401  
 110 South Fourth Street  
 Tel. 334-2641  
 MISSISSIPPI, JACKSON 39201  
 301 Bldg., 301 N. Lamar St.  
 Tel. 948-2267  
 MISSOURI, KANSAS CITY 64106  
 New Federal Office Bldg., P. O. Box 15568  
 Tel. 374-5616  
 ST. LOUIS 63101  
 315 N. Seventh Street  
 Tel. 622-4761  
 MONTANA, HELENA 59601  
 Steamboat Block, 616 Helena Ave.  
 Tel. 442-3211  
 NEBRASKA, OMAHA 68102  
 215 North 17th Street  
 Tel. 221-3740  
 NEVADA, RENO 89505  
 70 Linden Street, P. O. Box 4700  
 Tel. 784-5213  
 NEW HAMPSHIRE, MANCHESTER 03105  
 P. O. Bldg., Hanover & Chestnut Sts.  
 Tel. 669-7753  
 NEW JERSEY, CAMDEN 08103  
 The Parkade Bldg., 519 Federal St.  
 Tel. 963-2301  
 NEWARK 07102  
 10 Commerce Court  
 Tel. 645-3010  
 NEW MEXICO, ALBUQUERQUE 87110  
 625 Truman Street, N. E.  
 Tel. 256-9834  
 NEW YORK, ALBANY 12207  
 Home Savings Bank Bldg., 11 N. Pearl St.  
 Tel. 472-2460  
 BUFFALO 14202  
 304 U. S. Court House  
 Tel. 842-3510  
 HEMPSTEAD 11550  
 175 Fulton Avenue  
 Tel. 485-5000  
 NORTH CAROLINA, GREENSBORO 27401  
 221 South Ashe Street  
 Tel. 275-9361  
 NORTH DAKOTA, FARGO 58102  
 700 Seventh Street, South  
 Tel. 237-5136  
 OHIO, CINCINNATI 45202  
 Federal Office Bldg., 550 Main Street  
 Tel. 684-3451  
 CLEVELAND 44115  
 1375 Euclid Avenue  
 Tel. 241-7340  
 COLUMBUS 43215  
 Columbus Center Bldg., 100 East Broad St.  
 Tel. 469-7345  
 OKLAHOMA, OKLAHOMA CITY 73103  
 1401 North Robinson  
 Tel. 236-2293  
 TULSA 74103  
 9 East 4th St. Bldg.  
 Tel. 584-7435  
 OREGON, PORTLAND 97204

Cascade Bldg., 520 S.W. Sixth Ave.  
 Tel. 226-3963  
 PENNSYLVANIA, PHILADELPHIA 19102  
 2 Penn Center Plaza  
 Tel. 597-2358  
 PITTSBURGH 15222  
 1000 Liberty Ave.  
 Tel. 644-2802  
 PUERTO RICO, SAN JUAN  
 P.O. Box 1268  
 Hato Rey, Puerto Rico 00919  
 Tel. 767-5655  
 RHODE ISLAND, PROVIDENCE 02903  
 P. O. Annex  
 Tel. 528-4391  
 SOUTH CAROLINA, COLUMBIA 29201  
 1515 Lady Street  
 Tel. 253-3361  
 SOUTH DAKOTA, SIOUX FALLS 57102  
 225 South Main Avenue  
 Tel. 336-2224  
 TENNESSEE, KNOXVILLE 37902  
 725 Gay Street, S.W.  
 Tel. 524-3144  
 MEMPHIS 38103  
 Room 447, Federal Office Bldg.  
 Tel. 534-3141  
 TEXAS, DALLAS 75201  
 Wilson Bldg., 1621 Main Street  
 Tel. 749-2651  
 FORT WORTH 76102  
 711 West Seventh Street  
 Tel. 334-3235  
 HOUSTON 77002  
 Rm. 7419, Federal Bldg., 515 Rusk Ave.  
 Tel. 228-4335  
 LUBBOCK 79401  
 1601 Ave. N  
 Tel. 765-8271  
 SAN ANTONIO 78204  
 535 South Main Avenue  
 Tel. 225-5673  
 UTAH, SALT LAKE CITY 84111  
 P. O. Box 11009  
 Tel. 524-5237  
 VERMONT, BURLINGTON 05402  
 Federal Bldg., Elmwood Avenue  
 Tel. 862-6274  
 VIRGINIA, RICHMOND 23240  
 400 N. Eighth Street  
 Tel. 649-2721  
 WASHINGTON, SEATTLE 98104  
 Norton Bldg., 801 Second Ave.  
 Tel. 583-7457  
 SPOKANE 99201  
 501 Am. Legion Bldg., 108 N. Wash. Street  
 Tel. 838-3203  
 WEST VIRGINIA, CHARLESTON 25301  
 500 Quarrier Street  
 Tel. 343-1321  
 WISCONSIN, MILWAUKEE 53203  
 744 North 4th Street  
 Tel. 272-8600  
 WYOMING, CASPER 82  
 P. O. Box 580  
 Tel. 265-3252